

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

BULLETIN 96-1

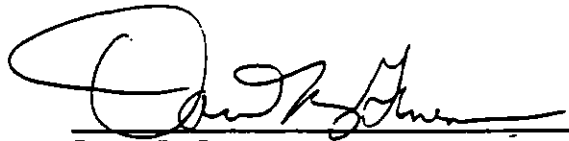
Issued this 1st day
of February, 1996

TO: MINNESOTA WORKERS' COMPENSATION INSURERS

This bulletin is intended to provide some guidance for workers' compensation Insurers doing business in the State of Minnesota.

In response to Minnesota Bulletin 95-5, many insurers have opted to file rate reductions effective 1-1-96 or earlier. In an effort to provide their policyholders with the lower rate filings, many insurers have indicated an interest in rewriting their policies without penalty to the policyholder while others have requested a vehicle to make midterm adjustments to current policies. Please be advised, therefore, that it is the decision of the Department of Commerce that rewriting workers' compensation policies to accommodate a reduction in rates is permissible under the provisions of the Minnesota Cancellation and Nonrenewal Endorsement (WC 22 06 01 A). In addition, it is the decision of the Department of Commerce that the attached "Notice to Policyholders" is an acceptable alternative to the rewriting of policies to allow a rate reduction for current policyholders on a midterm basis.

It is not the intent of the Department of Commerce to approve the rewriting of workers' compensation policies in cases where the policyholder may be negatively impacted.

A handwritten signature in dark ink, appearing to read "David B. Gruenes", written over a horizontal line.

David B. Gruenes
Commissioner of Commerce

NOTICE TO POLICYHOLDERS

This notice applies only to the insurance provided for Minnesota, as shown in Item 3A of the information page of Policy No. _____.(1)

As a result of the changes in the workers' compensation system enacted by the 1995 legislature, we (insurance company name) have determined that you are eligible for a rate reduction to your current policy of _____% effective _____.

THIS REDUCTION REFLECTS A REDUCTION IN OUR APPROVED SCHEDULE OF RATES .
EFFECTIVE _____.

Your prorated reduction has resulted in the following action:

___ A refund to you is included at this time.

___ A reduction will be calculated at time of audit.

(1) This identification format is optional. An insurance company may use other formats for identifying the policy to which this notice applies.